Macquarie Group Limited, Americas Investor Tour

Day 3, Houston

9 March 2023
Commodities and Global Markets
Nicholas O’Kane
What we do

CGM is a global client focused business offering a broad range of services to its diverse client base

- **Commodities**
  - Capital and financing: Providing clients with financing and asset management solutions across the capital structure
  - Risk management: Helping clients manage exposure to price changes in commodities, currencies, credit and equity markets

- **Financial Markets**
  - Clients: Financial institutions, investors, corporates & multinationals, producers & consumers

- **Asset Finance**
  - Market access: Helping clients access assets and prices via liquidity and electronic markets globally
  - Physical execution and logistics: Supporting clients with access to physical commodities and facilitating their transport from production to consumption

- **Optimisation**
  - Our deep expertise and physical presence allow us to optimise how we manage both our clients' risk exposures and trading opportunities we see which are conducted within Macquarie’s strong internal risk management framework
## Who we are

Our clients have access to a global network of 2,309\(^1\) specialist staff across 42 locations, that provide a unique combination of financial, technical and operational expertise.

### Global team with deep expertise

- **Operating globally**
  - with strong presence in London, Houston, New York, Singapore and Sydney

- **24-hour access**
  - providing clients with service when they need it across trading, price making and distribution

- **In-house technical experts**
  - including logistics experts, geologists, meteorologists, petroleum and mining engineers, data scientists, traders, schedulers, marketers, analysts and quant finance and theoretical physics PHDs

- **17 years**
  - average tenure of Executive Directors across CGM

### AMERICAS

<table>
<thead>
<tr>
<th>Staff</th>
<th>Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>632</td>
<td>16</td>
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### EMEA

<table>
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### ASIA

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<th>Staff</th>
<th>Locations</th>
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</thead>
<tbody>
<tr>
<td>344</td>
<td>11</td>
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</tbody>
</table>

### ANZ

<table>
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<tr>
<th>Staff</th>
<th>Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>515</td>
<td>4</td>
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</tbody>
</table>

### TOTAL

<table>
<thead>
<tr>
<th>Staff</th>
<th>Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,309</td>
<td>42</td>
</tr>
</tbody>
</table>

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As at 31 Dec 22 unless otherwise stated. 1. Includes staff employed in certain operationally segregated subsidiaries throughout the presentation.
Client-led business

Deep understanding of evolving client needs, strong relationships and collaboration is at the heart of our business growth

Client numbers

<table>
<thead>
<tr>
<th>Year</th>
<th>Commodity</th>
<th>Financial Markets</th>
<th>Asset Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>3,565</td>
<td>3,522</td>
<td></td>
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<tr>
<td>FY20</td>
<td>3,736</td>
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<tr>
<td>FY21</td>
<td>3,829</td>
<td></td>
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<tr>
<td>FY22</td>
<td>3,757</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY23 YTD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

40+ years of client partnerships evolving into niche activities in some markets, and scale in others

40+ years in metals, futures and foreign exchange

20+ years in agriculture and technology, media and telecoms (TMT)

20 years in energy, renewables, and sustainability

85% of client revenue generated from existing relationships²

No.1 Futures Broker on the ASX³

House of the Year

- Derivatives⁴,⁵
- Oil and Products⁴,⁵
- Natural Gas/LNG⁴
- Emissions⁵
- Commodity Trade Finance⁵


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Delivering on our strategy

2020 Operational Briefing ➤ 2023 update

Opportunities we see

- Expanding into new markets / geographies across areas adjacent to where we're already operating and have expertise and market relationships
- Emerging themes such as the Energy Transition

Commodities

- Continued growth across most of our businesses, leveraging the expertise and experience of our people to support clients. Key examples include global power and gas businesses, oil, resources, Credit Markets Settlement Solutions and Shipping Finance

Financial Markets

- Advancing suite of growth opportunities linked to the Energy Transition. Examples include:
  - Helping clients navigate market volatility
  - Helping drive and support our clients' decarbonisation pathways. Examples include establishing Global Carbon and Clean Fuels businesses

Asset Finance

- Growth into adjacent segments and new client relationships in existing segments. Examples include FIC's on-line digital offering Aurora to increase client reach as well as their focus on Private Sponsors in the US and Asset Finance's expansion into Structured Lending
- Expanding our offerings into new regions. Examples include Japanese power, FIC Japan and Latin America and Credit Markets UK

Underpinned by CGM's strong platform
We are diversified

Diversity by business

- Mobility, Energy, Renewables and Sustainability
- Technology, Media and Telecoms
- Other
- Fixed Income and Currencies
- Credit Markets Division
- Equity Derivatives and Trading
- Futures
- Commodities
- Financial Markets
- Asset Finance

Diversity by region

- North America power, gas and emissions
- EMEA power, gas and emissions
- Global oil
- Base metals
- Precious metals
- Mining finance
- Agriculture
- APAC power, gas and emissions
- Bulk Commodities
- Commodity Investor Products
- Global Carbon
- Americas
- Asia
- EMEA
- Australia

1. Operating income is net operating income excluding earnings on capital and other corporate items. Percentages contribution by business and region is based on average operating income for the past three years (FY20 to FY22).
Strong performance
Majority of income derived from underlying client business

Operating Income
(excl. credit and other impairment charges)
$A$m

<table>
<thead>
<tr>
<th>Year</th>
<th>Other Income</th>
<th>Equities derivatives and trading</th>
<th>Leasing (operating and finance) income</th>
<th>Commodity risk management</th>
<th>Commodity inventory management and trading</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td></td>
<td></td>
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<td></td>
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<td>FY20</td>
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</tbody>
</table>

- Exceptionally strong results across the commodities platform, particularly in global Gas & Power and Oil products, driven by increased trading, physical execution and logistics and client risk management opportunities from unusually volatile market conditions
- Solid contribution from client risk management, market access and financing activity across the Financial Markets businesses including fixed income, foreign exchange, credit, futures and equities
- Strong performance from Asset Finance driven by TMT and Structured Lending with strong annuity revenues continuing across the platform

1. Included within underlying client business is a relatively small (~5%) amount of foreign exchange, interest rates and credit and Equity derivatives and trading activity not related to clients.
Risk management is core

Strong focus on business accountability and risk ownership

Stable and robust core risk management principles - supported by our longstanding approach to establishing and maintaining an appropriate risk culture

Ownership of risk at the business level

Understanding worst case outcomes

Independent sign-off by Risk Management Group

Principles stable for 30+ years

Risk management in CGM

Built on 50 years of accumulated experience in managing risk

Resulting in a mature and consistent control environment that evolves as activity expands

Every individual is accountable for all aspects of risk management including risk limits, second line review and worst-case scenarios

Allows CGM to partner with clients to help manage their risks, utilising our deep risk management expertise

Credit risk
Active management of exposures to sectors and individual counterparties
Counterparty exposures constrained by approved credit limits

Behavioural risk
Expectation of high standards of behaviour and decision making
Strong supervisory oversight
Culture of ‘speak up’ and ‘listen up’

Market risk
Granular risk limits based on worst case scenarios
Aggregate limits constrain overall market risk appetite

Governance and specialist risks
Established new functions and frameworks to enhance CGM’s management of governance and specialist risks

Operational risk
Independent oversight of comprehensive processes and controls
Dedicated Control Assurance team

Compliance risk
Established policy and control framework to manage market conduct
Dedicated Compliance advisory team
Identification of regulatory risk and implementation of risk mitigation
Regulatory capital and trading revenue

Underlying client activity driving regulatory capital and trading revenues

- Majority of capital relates to credit risk reflecting client focused business
- Risk management is core: built on 50+ years of accumulated experience in managing risk for our clients and our business

- Unprecedented and extreme market volatility resulted in increased client activity and trading opportunities
  - More large daily gains in FY23 while large daily losses remain low reflective of robust risk management framework

1. Normalised for FX (Dec 22) and SA-CCR impacts. Numbers will not reconcile to previously disclosed regulatory capital numbers. 2. The daily profit and loss refers to results that are directly attributable to market-based activity from Macquarie’s desk. 3. FY23 results extrapolated based on data up to 31 Dec 22.
CGM in Americas

Active across all three businesses:

**Commodities:**
- Full service offering to clients with exposure to commodity markets focusing on Power, Gas and Emissions, Agriculture and Oil.
- Global energy hub headquartered in Houston, including specialist in-house schedulers, structurers, meteorologists and logistics experts

**Financial Markets:**
- Integrated offering to corporate and institutional clients with exposure to fixed income, currencies, futures, equities and credit markets
- Strong focus in region on Private Equity, Corporate Sales, Latin America Market Expertise and Settlement Solutions

**Asset Finance:**
- Provider of specialist finance and asset management solutions across a range of industries including TMT (Semiconductors) and MERS (Sustainable Waste Solutions)

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**Percentage of total CGM operating income**

- **Americas:** 39%
- **Other regions:** 61%

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**Staff:** 632

**Locations:** 16

**Markets:** 4

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**United States**
- Boise
- Chicago
- Houston
- Jacksonville
- Minneapolis
- Nashville

**Canada**
- New York
- San Diego
- San Jose
- Seattle
- Brazil
- Sao Paulo

**Mexico**
- Calgary
- Montreal
- Toronto
- Vancouver
- Mexico
- Mexico City

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Over 30 years of growth, innovation and collaboration in the Americas

Recent highlights

- Supported clients as they navigate ongoing elevated levels of volatility across commodity markets, particularly energy markets.
- Financing partner for NorCAL ZERO - transition US trucking to zero emissions.
- Sustained growth in settlement solutions and US corporate direct lending market.
- Enhancement to CGM’s Futures’ Electronic Trading offering.

Key
- Platform Acquisition

- Acquisition of Societe Generale’s OTC energy commodities portfolio (US)
- CMD Credit Sales and Trading
- CMD Settlement Solutions (US)
- CMD Portfolio Solutions Group (US)
- CMD Portfolio Solutions Group Fintech Lending (US)
- Futures Canada
- Canadian crude oil markets
- Latin America commodities marketing desk (US)
- CMD Credit Sales and Trading
- Acquisition of Constellation (US gas trading)
- CMD Credit Markets Division (CMD) established (US)
- Physical power business (Houston)
- Established Macquarie Futures USA
- Acquisition of Cook Inlet (US natural gas)
- Energy Capital (Houston)
- Brazil location opens
- First presence in Americas (Metals)
- Canadian crude oil markets
- CMD Credit Sales and Trading
- Acquisition of Constellation (US gas trading)
- CMD Credit Markets Division (CMD) established (US)
- Physical power business (Houston)
- Established Macquarie Futures USA
- Acquisition of Cook Inlet (US natural gas)
- Energy Capital (Houston)
- Brazil location opens
- First presence in Americas (Metals)
- 1991
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- 2018
- 2019
- 2020
- 2021
- 2022
Opportunities for continued growth

Case study: Cargill North America Power and Gas trading businesses acquisition in 2017

Acquisition outcomes:

- 35 new staff
- Access to new clients and markets
- Expanded geographic coverage
- Increased logistics capabilities
- More diverse insights

Acquisition reflections:

1. There were significant adjacencies that were additive to our existing business activities

2. New staff thrive in a Macquarie environment that encourages the pursuit of opportunities within a robust risk management framework

3. The size of the US market is significant
Opportunity in the Americas
Runway for continued growth

### Size of market

<table>
<thead>
<tr>
<th>Demand/Volume</th>
<th>North America</th>
<th>US Crude Oil</th>
<th>Total Private Funds AUM</th>
<th>Total Private Debt Market Size Globally</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average daily natural gas demand</strong></td>
<td>~94 Bcf per day</td>
<td>~19.5 million barrels per day</td>
<td>$9.1 trillion</td>
<td>$1.4 trillion</td>
</tr>
</tbody>
</table>

**CGM share**

<table>
<thead>
<tr>
<th>Market</th>
<th>Average daily natural gas volume marketed by CGM in North America</th>
<th>Average daily crude oil volume marketed by CGM in the US</th>
<th>Private funds AUM covered by CGM FIC Americas</th>
<th>Private debt loans funded via repurchase agreement by CGM Credit Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>~9.2 Bcf per day</td>
<td>~0.8 million barrels per day</td>
<td>~1.2 trillion</td>
<td>~25 billion</td>
</tr>
</tbody>
</table>

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3. Prequin Global Report 2023. Total private funds AUM includes total consolidated AUM across all Private Equity, Private Debt, Real Estate, and Infrastructure funds in the market. CGM’s share only includes the AUM of the private funds we have onboarded.  
Today’s roadmap

Our opportunities in the Americas

Expanding expertise and presence into new markets

Responding to long-term trends towards decarbonisation

Continue to explore and invest in emerging opportunities

In today’s agenda, you’ll hear how we deliver this in practice in the region

North America Power, Gas and Emissions
  Tim Bourn

Agriculture and Oil
  Dan Vizel and David Hochberg

Energy Transition
  Janet Dietrich and Nick Gole

Americas Fixed Income and Currencies
  Glenn Edelson
02

North America Power, Gas and Emissions

Tim Bourn
How we fit into the Commodities and Global Markets platform

Our part of the value chain

Capital and financing
Providing clients with financing and asset management solutions across the capital structure

Risk management
Helping clients manage exposure to price changes in commodities, currencies, credit and equity markets

Market access
Helping clients access assets and prices via liquidity and electronic markets globally

Physical execution and logistics
Supporting clients with access to physical commodities and facilitating their transport from production to consumption

Clients
- Financial institutions
- Corporates & multinationals
- Producers & consumers

Optimisation
Our deep expertise and physical presence allow us to optimise how we manage both our clients' risk exposures and trading opportunities we see which are conducted within Macquarie's strong internal risk management framework
Platform evolved through a combination of organic growth and key acquisitions

18 years of consistent returns

Continuity and dedication of our people

19+ years average tenure of Executive Directors

97% retention rate

In-house specialists

Schedulers

Analysts

Meteorologists

Traders

Marketers

Logistic experts

24-hour coverage

in the power and gas markets, with trading and operations available over the weekend and holidays to address clients' real-time needs
Platform evolved through a combination of organic growth and key acquisitions

Cook Inlet provided key access to the western gas market but also access to the mid-continent and eastern markets.

2005 Cook Inlet Energy Supply

- Options Desk
- Operations
- West Gas Desk

Continuity and dedication of our people

19+ years average tenure of Executive Directors
97% retention rate

In-house specialists

- Schedulers
- Analysts
- Logistic experts
- Meteorologists
- Marketers
- Traders

24-hour coverage
in the power and gas markets, with trading and operations available over the weekend and holidays to address clients' real-time needs
Platform evolved through a combination of organic growth and key acquisitions

Macquarie entered the power markets in 2006 via organic growth with key hires

Continuity and dedication of our people

19+ years average tenure of Executive Directors
97% retention rate

In-house specialists

Scheduler Analysts Logistic experts
Meteorologists Marketers Traders

24-hour coverage

in the power and gas markets, with trading and operations available over the weekend and holidays to address clients’ real-time needs
Platform evolved through a combination of organic growth and key acquisitions

In 2009 Constellation brought additive skills to key gas markets

2005 Cook Inlet Energy Supply

Organic growth

2009 Constellation Energy

Organic growth

Continuity and dedication of our people

19+ years average tenure of Executive Directors

97% retention rate

In-house specialists

Schedulers

Analysts

Logistic experts

Meteorologists

Marketers

Traders

24-hour coverage

in the power and gas markets, with trading and operations available over the weekend and holidays to address clients’ real-time needs
Platform evolved through a combination of organic growth and key acquisitions

Cargill enhanced our power operations and our Canadian gas desk

- **2005**: Cook Inlet Energy Supply
- **2009**: Constellation Energy
- **2017**: Cargill North America Power & Gas

**Continuity and dedication of our people**

- **19+ years** average tenure of Executive Directors
- **97%** retention rate

**In-house specialists**

- Schedulers
- Analysts
- Logistic experts
- Meteorologists
- Marketers
- Traders

**24-hour coverage**

In the power and gas markets, with trading and operations available over the weekend and holidays to address clients’ **real-time needs**
Business platform starts with client activity

Diverse customer transactions

- Structured an unique transaction providing natural gas producers diversification and exposure to power prices
- Structured and arranged the supply of Responsibly Sourced Gas for a utility client
- Provided credit sleeve facilities with a generator which allowed client access to market liquidity
- Supplied a utility with an off-hub load zone power hedge combined with daily settled financial gas hedges
- Provided a utility with a full requirements load deal which included physical power and associated ancillary services
- Transacted physical gas hedges with a producer which helped the client lock in margin and re-supply European production
- Provided a structured physical power offtake to a merchant asset owner
- Supplied a utility with a financial gas hedge at a pricing point near their physical native demand hub
- Provided financial power and gas hedges to a generator which allowed them to lock in a fixed heat rate and extract value from their plant
- Acquired transportation for a producer to meet their long-dated demands
Logistics expertise enhances the model

Gives us valuable insight into supply/demand fundamentals and market dynamics

11 Bcf/day
Macquarie peak day activity in 2022

70+ systems
Macquarie was active on in Dec 2022

69% of major pipelines
physically shipped gas on 48 of the 70 major interstate gas pipelines in Dec 2022

7 storage facilities
48.8 Bcf max storage capacity

226 cumulative Bcf
Park & Loan activity in 2022

Actively trades with 700+ counterparties
Through hundreds of individual interactions each day, we provide market liquidity, evaluate transportation and storage dynamics, and identify production and consumption trends. This information feeds into our fundamental analysis and provides us a best in class view on supply and demand.

Experience & analysis
Guides us in establishing a portfolio of assets providing critical supply or takeaway options in regions that are often capacity-constrained, and then managing the risk around those assets

Physical commodity trading
Gives us a deeper insight into volatile locational markets

Extensive relationships
Enables us to engage with key upstream and downstream market participants in each region

Leased physical asset portfolio
Positions us to serve our customers' needs and work together to profitably optimise transportation options when bottlenecks arise
Macquarie is a leader in moving physical power across North America

As with natural gas, logistics expertise gives us the ability to optimise the portfolio

Macquarie was active across the 7 US ISOs, as well as the areas of WECC and SERC power pools, plus Alberta and Ontario.

1900+ MWh amount of seasonal and yearly transmission capacity

91 utilities Macquarie was active with in 2022

Actively trades with 700+ counterparties through hundreds of individual interactions each day, we provide market liquidity, evaluate transportation and storage dynamics, and identify production and consumption trends.

This information feeds into our fundamental analysis and provides us a best in class view on supply and demand.

Regional approach
Allows traders to develop a strong knowledge of the physical electricity grid

Knowledge of physical grid
Is vital toward meeting different customer needs

Reliable delivery of physical power
Is the most important factor in distinguishing ourselves from others

Team continuity across the power and gas desks
Has allowed the group to develop synergies and collaborate effectively across the desks

Real time desk
Provides crucial support for the regional desks and responds in real time to customer needs.
We then trade and optimise the portfolio

Starts with our fundamentals, knowledge base and logistics

**Capital and financing**
Providing clients with financing and asset management solutions across the capital structure

**Risk management**
Helping clients manage exposure to price changes in commodities, currencies, credit and equity markets

**Market access**
Helping clients access assets and prices via liquidity and electronic markets globally

**Physical execution and logistics**
Supporting clients with access to physical commodities and facilitating their transport from production to consumption

**Clients**
Financial institutions
Corporates & multinationals
Producers & consumers

**Optimisation**
Our deep expertise and physical presence allow us to optimise how we manage both our clients’ risk exposures and trading opportunities we see which are conducted within Macquarie’s strong internal risk management framework

Largely focused on spread risk
- Locational spreads
- Spark spreads
- Calendar spreads

**Risk Profile**
These activities are subject to the same rigorous policies and controls, limits and performance triggers as with all of our other business activities

We always focus on asymmetric risk, and are almost always on the tail
Power and Gas markets continue to see increased volatility due to a variety of reasons

We manage our risk anticipating unique events
Many factors creating volatility in natural gas

Production basins, infrastructure and consumption patterns are all rapidly shifting

- 35 Bcf/day: 54% increase in peak-day gas production since 2013
- 14 Bcf/day: 39% increase in gas burn for power generation since 2013
- 18 Bcf/day: 90% increase in exports to Mexico and LNG since 2013
- -69 Bcf: 2% decrease in peak natural gas storage capacity since 2013
- 50 years: Average age of gas transmission pipelines (weighted by mileage)
- 43%: Estimated up to 43% of natural gas is associated gas

Image Source: Energy Velocity, Macquarie Energy, Platts, PHMSA, EIA, HIS.
Power is also seeing significant volatility

Energy transition will continue to create opportunities

- **23 Years**
  - Average age of natural gas fleet

- **43 Years/41 Years**
  - Average age of coal and nuclear fleet, respectively

- **70%**
  - Percentage of transmission lines that are >25 years old

- **20 Bcf/(84) GW**
  - 47% decrease in average coal-fired generation since 2013

- **53 GW+**
  - 279% increase in wind and solar production since 2013

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Weather variability continues to provide demand for our services

We specialise in the ability to move power and gas to where it is needed

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of GWHDDs</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>2254</td>
<td>1st</td>
</tr>
<tr>
<td>2016-17</td>
<td>2273</td>
<td>2nd</td>
</tr>
<tr>
<td>2017-18</td>
<td>2532</td>
<td>21st</td>
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<tr>
<td>2018-19</td>
<td>2522</td>
<td>19th</td>
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<tr>
<td>2019-20</td>
<td>2283</td>
<td>3rd</td>
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<tr>
<td>2020-21</td>
<td>2545</td>
<td>22nd</td>
</tr>
<tr>
<td>2021-22</td>
<td>2453</td>
<td>15th</td>
</tr>
<tr>
<td>2022-23</td>
<td>2310</td>
<td>5th</td>
</tr>
</tbody>
</table>

Image Source: MAXAR.

© Macquarie Group Limited
Natural Gas is increasingly global due to significant increases in LNG production in the US

LNG Exports by Country¹

In 2023, the US will become the largest exporter of LNG at 89 Mtpa¹

North America continues to import LNG, competing with Asia and European prices

Source: EIA, IHS, Macquarie Energy. ¹ Million tonnes per annum.
What’s next

Continuing to explore and develop emerging opportunities

- Natural gas will be the ‘transition fuel’ for the world, we will continue to grow our LNG model
- Continue to facilitate the linkage with our other very strong regional power, gas, and emissions groups
- Continue to work closely with Macquarie Capital and Macquarie Asset Management on synergistic strategies

Expanding our capabilities into new markets

- Develop and increase transmission capabilities in Canada
- Provide alternative global pricing structures to producers and consumers
- Continue providing services to our clients to help them navigate volatile market conditions

Responding to opportunities and challenges of Energy Transition

- Participate in and help develop new regional and global carbon markets
- Provide services that help respond to decarbonisation, such as Responsibly Sourced Gas and carbon neutral LNG cargos
- Establish capabilities to manage battery storage
Agriculture and Oil

Dan Vizel
David Hochberg
Our services in the Commodities and Global Markets platform

Bringing capital, risk management, market access and logistics services to clients with exposure to Agriculture and Oil

Capital and financing

Providing clients with financing and asset management solutions across the capital structure

Risk management

Helping clients manage exposure to price changes in commodities, currencies, credit and equity markets

Market access

Helping clients access assets and prices via liquidity and electronic markets globally

Physical execution and logistics

Supporting clients with access to physical commodities and facilitating their transport from production to consumption

Optimisation

Our deep expertise and physical presence allow us to optimise how we manage both our clients’ risk exposures and trading opportunities we see which are conducted within Macquarie’s strong internal risk management framework
Deep expertise in physical and financial markets

Global footprint drives opportunities

175+ dedicated traders, ops specialists, & origination experts

65+ staff across Americas

Global cross-commodity financing and hedging experts

16+ years average tenure of Executive Directors

In-house specialists

Schedulers
Analysts
Logistic experts
Operations
Traders
Marketers

Continuity and dedication of our people
Our evolution derives from organic growth with some key acquisitions

- Purchased Petromar
- Initiated buildout of global petroleum trading
- Acquisition of Bankers Trust of Australia
- Singapore location opened

2000 - 2010

- Brazil location opened
- Houston location opened
- Calgary location opened
- Established physical oil business in Canada
- Minneapolis and Geneva locations opened

2011

- Macquarie acquired Cargill Petroleum, combining capabilities, expertise, markets and customers
- Integration of core strengths
- Additional industry hires

2017

- Integrating core strengths
- Offerings clients the breadth of our oil and agriculture platform

2020

- Acquisition of Societe Generale's OTC energy commodities portfolio

1. Chart reflects net operating income for Global Oil, Macquarie Commodities Trading and Agriculture from FY08 to the nine months ending 31 Dec 22.

© Macquarie Group Limited
We offer a diverse range of services across a broad range of products

### Risk Management
- Client familiarity and understanding of financial commodity index specifics
- Experienced team of professionals covering clients
- Ability to provide vanilla and bespoke solutions financially and physically
- Process driven outcome-focused coverage approach

### Capital and Financing
- Client familiarity and understanding of physical commodity transactions
- These commodity transactions require working capital and create credit exposures
- Ability to finance physical commodity inventory by taking title / lien (in a refinery, vessel, tank or pipeline)

### Physical execution and logistics
- Client familiarity and understanding of financial and physical commodity markets
- These commodity transactions require multi-jurisdictional understandings across physical commodities marketing processes, logistics requirements, market participants, commodity price management
- Ability to utilise Macquarie trading platforms to quantify (price, physical) and qualify (logistics) for Macquarie to monetise physical and financial opportunities

### Overview
- North America Power, Gas and Emissions
- Agriculture and Oil
- Energy Transition
- Americas Fixed Income and Currencies
- Q&A
- Conclusion
- Glossary
We are a client focused business

Transacting with 500+ clients in over 60 countries and sectors with 150% growth in clients since FY17
Risk management is core

There are several risks inherent to our business which we actively manage

**Credit risk**
Failure by a counterparty to fulfil its contractual obligations

CGM structures transactions considering the inherent credit risks of the counterparty, determining any margining, collateral, security, guarantees, letters of credit and other credit support where necessary.

**Market risk**
Risk of a change in the value of CGM's positions as a result of change in market rates or conditions

Deep expertise in global financial and physical oil markets.

All exposures are constrained by limits that are dual approved by CGM and RMG Market Risk.

Market risk limits are firm, apply at all times and are independently monitored by RMG Market Risk.

**Operational risk**
Risk of loss arising from a failure in people, processes and systems

Mature operating platform, including systems and processes, to manage operational risks.

Dedicated Logistics team to manage internal operational processes.

Independent oversight of comprehensive processes and controls by Business Operational Risk Management team.

**Compliance risk**
Failure to comply with applicable laws, regulations, rules, and codes of conduct

Established policy and control framework to manage market conduct and compliance risks.

Dedicated Compliance advisory team supporting CGM globally.

Escalation of compliance breaches to CGM senior management.

**Legal risk**
Risk of failure to comply with applicable laws or fulfil or enforce legal or contractual obligations.

Dedicated CGM Legal function with expertise in commodities and oil markets.

CGM Legal provide input and assessment for transaction structures, products and jurisdictions, supplemented by external legal opinions.

**Environment & social risk**
Adverse impacts due to failure to identify or manage environment of social risk

CGM does not operate any assets that produce, consume (on an industrial scale), transport, store or otherwise handle physical commodities.

Vetting of counterparties, and service providers (e.g. transport, storage providers and terminal operators) prior to entering contracts.
We utilise our expertise to structure deals for our clients

Case study: Crude prepay in US Gulf Coast with hedging and offtake

- Participating in the financing for an existing UK client expanding into the US via a crude oil prepayment
- The deal was structured with embedded hedging of the crude
- We utilise our physical execution and logistics expertise to optimise the offtake
Continued oil market disruption

Future petroleum demand will look very different

Demand for some fuels will grow for several decades

- Jet Fuel
- Naphtha
- LPG

Key to growth

- limited alternatives for jet fuel
- industrial, retail, and specialty demand
- flexible and lower carbon fuel

Demand for some fuels will begin to decline this decade

- Gasoline & Diesel
- Marine bunkers

Key to decline

- plentiful and scalable alternatives
- scalable, low carbon alternatives

Demand trends likely to disrupt every component of the Oil industry

- Manufacturing adaptation – refiners will be challenged to adjust to new product mix
- Logistical systems – storage tanks, shipping, and terminals will need significant capital spending
- Trading – physical capability will be required for risk management and opportunistic exposure
CGM is well placed to support clients and help them navigate this market disruption

Our financial and physical expertise in the market help us support our clients

<table>
<thead>
<tr>
<th>Downstream refining systems will require modifications and the global system will have difficulty producing future fuel mix</th>
<th>Large interfuel swings will make the ability to provide fuel flexibility to clients even more valuable</th>
<th>Financing and commercial solutions will be in greater demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CGM’s physical expertise and people will be valuable</td>
<td>• Allowing clients to mitigate price swings between conventional and renewable fuels</td>
<td>• Oil majors and banks scaling back in oil to create demand for financing solutions linked to physical agreements</td>
</tr>
<tr>
<td>• Access to logistics will enhance our client’s flexibility</td>
<td>• Providing physical access to low carbon fuels including methanol and hydrogen through CGM’s combined Agriculture and Oil offering</td>
<td>• Advanced hedging capability will be more important, physical/financial hedging integration will be more valuable</td>
</tr>
<tr>
<td>• De-emphasis of hydrocarbons by large oil firms may create need for financing, logistics and risk management</td>
<td></td>
<td>• End users will need integrated solutions that provide conventional fuels, clean fuels, and carbon mitigation/credits</td>
</tr>
</tbody>
</table>
Supporting clients in the clean fuels industry

**Opportunity**

- An industrial project to develop a multi-billion dollar low carbon blue and green methanol plant
- The plant will convert natural gas to produce 2.1 million metric tonnes per year of low carbon methanol and is strategically located near an existing pipeline which will supply West Texas natural gas to a plant and from there to methanol markets located on the US west coast, Asia and Europe

**Actions**

- We will provide the client with physical marketing and logistics services under a long-term contract, with services that include procurement management and balancing services of natural gas supply, engaging with global methanol market buyers and providing transportation services (pipelines and vessels)

**Outcome**

- The client aims to lower ecological impact, emissions, effluents, and wastes while incorporating wastewater utilisation concepts into plant design as well as recovering and reintegrating all carbon generated
- CGM utilised its experiences across global physical and financial markets to provide an end-to-end value chain solution
- The structure of the deal was designed and sized to allow the client to benefit from our platform's experiences, capabilities and financial strength

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04

Energy Transition

Janet Dietrich
Nick Gole
Macquarie's role in the global transition to net zero

Delivering practical climate solutions and building capabilities to support the global transition to net zero

For two decades we have used our deep capabilities in energy, infrastructure, technology and commodities to help clients realise their decarbonisation ambitions and meet their own net zero commitments.

Our decarbonisation commitment spans across Macquarie:

- **Founding member** of international initiatives on climate finance, adaptation, carbon offsets, and sustainability
- **107 GW+** of renewables projects in development, construction or operations
- **$A32b+** invested or arranged in green energy assets in the five years to 31 Mar 22

1. As at 30 Sep 22.
Bringing the whole of Macquarie to the Energy Transition

The scale and breadth of the Energy Transition opportunity is driving collaboration between our businesses to deliver holistic client offerings.

The Energy Transition is impacting all of our clients and rapidly evolving. We have a long track record of supporting clients across energy and commodities. We are aligning complementary capabilities across our business to better support clients.

Clients
- Oil & Gas
- Agriculture
- Transport
- Aviation
- Industrials
- Shipping
- Technology

Solutions
- Clean power
- Clean fuels
- Hydrogen
- E-mobility
- Circular economy
- Energy storage
- Carbon offsets
- Carbon capture & storage

Investing
- Advising
- Financing
- Developing

Delivering client value

Physical execution
- Managing risk

Leveraging strong existing capabilities to expand offerings into adjacencies.

Bringing together market-leading expertise from across the Group to deliver unique and holistic client offerings.

Evolving the mix of skills and expertise within the operating groups in line with market needs.
The Energy Transition is a large, accelerating and long-term opportunity

**Large opportunity**

Global Energy Transition investment exceeded $US1tn for the first time in 2022\(^1\)

![Graph showing global energy transition investment exceeding $US1tn in 2022](data:image/png;base64,SGVsbG8sIFdvcmxkIQ==)

The vast majority of countries have committed to net zero emissions targets\(^2\)


**Policy support**

Getting the world on track for net zero emissions by 2050 requires clean Energy Transition-related investment to accelerate from current levels to around $US4tn annually by 2030\(^3\)

Governments around the world are partnering with the private sector to drive investment

**US**

- **Inflation Reduction Act (IRA)**
  - The IRA is set to mobilise investment in the US Energy Transition over the next decade, driving legislative responses globally
  - $US369b Estimated federal funding for Energy Transition in IRA (2022 – 2031)
  - $US270b Tax incentive portion of IRA Energy Transition funding (2022 – 2031)

**EU**

- **Green Deal Industrial Plan**
  - The recently announced EU Green Deal Industrial Plan includes targets around faster permitting, as well as new subsidies, skills programs, and trade agreements
  - €250b Principal pool of loans and grants to achieve stated goals\(^4\) (2023 - 2030)

The Energy Transition is relevant across all of CGM’s activities, markets, and client sectors.

Our multi-decade track record in energy helps support our diverse client base as they navigate the broader impacts of the transition.

In addition, we are well placed to support our clients in the hard-to-abate sectors with their decarbonisation plans.

Energy Transition has impact across all of CGM

A continuation of our strategy of growth through adjacencies

CGM is very active in the global transition, building on our history of anticipating and adapting to the evolving needs of our clients and markets.
## Emerging opportunities are driving our focus across 7 key sectors

We deliver solutions to support clients’ varying Energy Transition needs

<table>
<thead>
<tr>
<th>Key sectors</th>
<th>Existing businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon and emissions</td>
<td>Emissions Trading &amp; Offsets</td>
</tr>
<tr>
<td>Renewable and flexible power</td>
<td>Power &amp; Transmission</td>
</tr>
<tr>
<td>Clean fuels</td>
<td>Agriculture &amp; Oil, Gas</td>
</tr>
<tr>
<td>Sustainable transport</td>
<td>Fleet Solutions</td>
</tr>
<tr>
<td>Critical minerals</td>
<td>Metals &amp; Mining</td>
</tr>
<tr>
<td>Circular economy</td>
<td>Waste Solutions</td>
</tr>
<tr>
<td>Sustainable finance</td>
<td>Financing businesses</td>
</tr>
</tbody>
</table>

- Capital and financing
- Risk management
- Physical execution and logistics
- Market access
CGM financing and execution case studies

CGM is focused on delivering outcomes

1. **Terrafame**
   Macquarie supported Terrafame's working capital requirements to ramp up production at a new battery chemical plant, while also providing physical execution, and logistics expertise to intermediate cargoes of nickel sulphate between Terrafame and its end buyers. With the plant holding one of the world's largest production capacities for battery chemicals (sufficient to supply ~1 million electric vehicles per year), increased production allows Terrafame to provide a timely response to the rising demand for EVs.

2. **Pacific Canbriam Energy**
   Macquarie facilitated the purchase and sale, transportation, and delivery of Responsibly Sourced Gas (RSG) between Canbriam and Énergir, Québec's leading natural gas distributor. Macquarie also arranged the delivery and retirement of the associated RSG certificates. The certificates are held with Xpansiv, which maintains a digital registry to issue, track and retire RSG certificates using distributed-ledger technologies. This was the first RSG certified purchase and sale transaction using a digital registry encoding key ESG metrics.

3. **Cookstove Project**
   Cookstove distribution projects are among the highest-quality carbon projects that achieve immediate net emission reductions at scale. Macquarie, C-Quest Capital LLC (CQC) and partners have invested in a program to deploy cookstoves to rural communities that cook on traditional open fires across Sub-Saharan Africa. The program will distribute free cookstoves to ~3.7 million households in developing countries and is expected to result in the abatement of >200 million tonnes of carbon over the next 10 years.

4. **Utilising stranded gas**
   Macquarie structured a $US24.3m operating lease for a fleet of mobile gas turbines for an oilfield electrification services provider. The residual value at lease-end reduces the monthly lease payment, enabling the service provider to be cost competitive with alternatives and maintain flexibility at the end-of-term if assets no longer fit their clients' needs. The facility will fund the total purchase price for six trailer-mounted natural gas turbines, which total 26.3MW. The turbines generate reliable electricity from stranded gas that would otherwise be flared or escape unflared into the atmosphere.
Macquarie Capital is helping clients navigate the Energy Transition

As an adviser, partner, developer, and investor Macquarie Capital brings a range of tools to assist clients across all industries to navigate the Energy Transition

---

**Unparalleled track record**

**Global specialist in infrastructure & energy**

**Global network of corporate clients, developers, technical advisers, and government officials**

More than 230 infrastructure and energy executives across over 20 locations¹

---

No. 1 Global Financial Adviser for Infrastructure 2014 – 2022²

No. 1 Global Financial Adviser for Renewables 2017 – 2022²

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¹ As of 31 Jan 23. ² By deal value and/or deal count in each calendar year, based on Inspiratia, IJ Global or Infraamation league table rankings.

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Differentiated offering addressing Energy Transition megatrends

Clear mandate coupled with thoughtful opportunity selection and approach

**Key drivers for MacCap**

- Energy Transition touches every client
- Opportunity to be partner of choice
- Asset creation capabilities needed in the market
- Inflation Reduction Act

**Focus Sectors**

- EnergyTech
- Midstream/Downstream
- Clean Fuels
- Power and Transmission
- Liquified Natural Gas and Compressed Natural Gas Value Chain
- Waste to Energy

**Our Approach**

- Trusted Adviser
- Principal investment
- Client / partner focused approach
- Leverage our existing clients and knowledge
- Tap into collaboration opportunities with rest of Macquarie (inc. CGM)

**Why we are differentiated & advantaged**

- Deep knowledge & significant experience
- Creative structuring and advice
- Flexible capital
- Excellent network & strong deal flow
- Focused on partnering

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Macquarie Capital investment and advisory case studies

Macquarie Capital is focused on delivering outcomes

1. **Aerogy**
   - Newly launched renewable fuels platform that will support the reduction of emissions and transition to a lower carbon economy through investment in alternative energy solutions.
   - Aerogy co-developed, closed financing and commenced construction on an anaerobic digestion facility, Zahn’s Farm. The facility is anticipated to produce over 200,000 MMBTu of Renewable Natural Gas (RNG) per year.

2. **Form Energy**
   - Macquarie Capital invested in Form Energy, who is developing and commercialising ultra-low-cost, long-duration energy storage systems that can be located in any market and scaled to match existing energy generation infrastructure globally. These systems have the potential to significantly improve the reliability and transmission of renewables year-round, extending transmission capacity without building new wires and completely replacing the need for conventional thermal generation.

3. **Amp US**
   - Macquarie acted as financial adviser to Fiera Infrastructure and Palisade Infrastructure Group on the announced acquisition of Amp US, a US-based renewable energy generation and battery storage business. Amp US has a portfolio of approximately 200 MWDC of distributed generation assets across 39 operating or under construction projects and a large pipeline of solar and storage projects across the US.

4. **Wavecrest**
   - Wavecrest Energy was formed to establish new and grow existing liquefied natural gas (LNG) markets, bringing natural gas to undersupplied regions worldwide. Wavecrest will integrate activities across the LNG value chain, such as: gas supply, liquefaction, LNG supply, regasification, power generation and downstream services.
   - Wavecrest and Macquarie have helped deliver Germany’s first privately financed LNG terminal, ‘Deutsche Ostsee’.
05

Americas Fixed Income and Currencies

Glenn Edelson
What is FIC

FIC brings together complementary business lines across three core competencies:

Client driven business with 250+ counterparties globally serviced by in-country, local staff, backed and powered by long-serving risk managers.

Coverage
- **All FX markets:** Cash and derivatives across G10 and emerging markets
- **Most interest rates:** Offering G10 and emerging markets
- **Fund Finance:** Focused offering on providing credit to private equity and alternative asset managers

Clients
- Private equity, credit, infrastructure and real estate managers
- Corporates
- Real money, hedge funds and sovereign wealth
- High net worth individuals and family offices
FIC Americas overview

Servicing clients across the value chain

Clients
- Financial institutions
- Investors
- Corporates & multinationals

Market access

Capital and financing

Fund Finance

Physical execution and logistics

Optimisation

FX and Rates Client Hedging

- 25 professionals dedicated to FX and Rates hedging
- 14+ years average tenure of FX and Rates Executive Directors
- 500+ active funds trading FX and Rates
- $US200b+ in fund level transactions traded in the last two fiscal years
- $US8b+ in portfolio company interest rate hedges in the last two fiscal years

Fund Finance

- 10 professionals in fund finance offering
- 12+ years average tenure of Fund Finance Executive Directors
- 110+ fund finance transactions executed
- $US11b+ total financing provided since 2010
Evolution of FIC Americas

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>FIC New York location opened</td>
</tr>
<tr>
<td>2011</td>
<td>Expanded coverage to corporate clients</td>
</tr>
<tr>
<td>2013</td>
<td>First private equity FX deal</td>
</tr>
<tr>
<td>2015</td>
<td>Pivot focus to private equity space</td>
</tr>
<tr>
<td>2017</td>
<td>5 private equity and alternative managers onboarded</td>
</tr>
<tr>
<td>2019</td>
<td>Launched Portfolio Company hedging solutions leveraging Macquarie Capital relationships with private equity managers</td>
</tr>
<tr>
<td>2021</td>
<td>500+ funds onboarded</td>
</tr>
<tr>
<td>2023</td>
<td>30+ portfolio company hedges in the past two financial years</td>
</tr>
</tbody>
</table>

1. Private equity funds includes infrastructure, real estate, credit and leveraged buyout managers.
Growing client franchise

Private Funds AUM growth provides ongoing opportunities for Macquarie to gain market share and continue developing the franchise.

Significant client activity in interest rates and FX hedging has driven the growth of FIC Americas.

Global Private Funds AUM\(^1\) ($USb)

<table>
<thead>
<tr>
<th>Year</th>
<th>Private Equity</th>
<th>Private Debt</th>
<th>Real Estate</th>
<th>Infrastructure</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,000</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,000</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,000</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7,000</td>
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<tr>
<td>2017</td>
<td></td>
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<td></td>
<td></td>
<td>8,000</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
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<td>9,000</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10,000</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,000</td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td></td>
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<td>12,000</td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,000</td>
</tr>
</tbody>
</table>

FIC Market Share by Strategy\(^2\) ($USb)

- Private Equity
- Private Debt
- Real Estate
- Infrastructure
- Total

1. Based on Preqin Alternative Assets under Management Summary 2022. 2. FIC size includes Private Equity, Private Debt, Real Estate, and Infrastructure funds onboard with FIC Americas. Market Size includes total consolidated AUM across all funds in the market.

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FIC client revenue breakdown

FIC has seen revenue growth globally and the Americas accounts for an increasing share.

FIC Global – Historical Revenue Contribution

FIC Revenue Contribution by Region – 1H23
Case Study – Carlyle

Timeline Summary

- Carlyle is an asset manager with $US400b in AUM
- In 2016, FIC brought on senior hires to grow the US private equity franchise and onboard key clients such as Carlyle
- Macquarie has become a key relationship for Carlyle due to our agility and bespoke solutions

Diverse product set

- FX forwards
- Interest rate swaps
- Portfolio company interest rate hedges
- Short Term Lending (Settlement Solutions)

Growth of active Carlyle funds trading with FIC Americas

No. of Funds

Overview North America Power, Gas and Emissions Agriculture and Oil Energy Transition Americas Fixed Income and Currencies Q&A Conclusion Glossary
Growth opportunities in FIC Americas – Fund Finance

Aligning our Fund Finance and derivatives hedging business has allowed us to broaden our product offerings, increasing our share of the wallet with existing clients and introducing new clients to the respective teams - 50% of Fund Finance deals in FY22 were introduced through FIC FX and Rates team.

**Fund Finance**
- Clients: PE, secondaries, real assets and hedge funds

**Future Opportunity Set**
- Growing fund financing needs of PE clients due to:
  - Longer fundraising timelines
  - Slower asset realisations given the disruption in capital markets
- Need for financing solutions across the fund's entire life cycle

Macquarie is well placed to support client activity both on financing and risk management.
Looking forward - growth opportunities in FIC Americas

We continue to explore adjacent business lines to grow the FIC Americas franchise. This includes an expansion of Latin America FX and Rates business and a more robust digital offering.

**Latin America FX and Rates**

- Strong client demand for derivative products
- Increased volatility in Latin America is creating opportunities for new hedging counterparties

FIC Latin America is leveraging CGM and the broader firm to cross-sell, particularly to existing commodity clients of the firm.

To date, FIC has onboarded 23 corporates, 30 e-commerce clients and 6 family offices in Latin America.

**Digital Offering**

Macquarie’s new digital offering “Aurora” is an upgrade to FIC’s past capabilities.

The digital offering allows clients real-time access and execution capabilities to FIC’s products.

This offering enables FIC to scale our business to a broader set of clients.

Active users are up 38% relative to FY22.
06

Closing & Q&A

Nicholas O’Kane
What's next for CGM in the Americas

Expanding expertise and presence into new markets

- Continue providing services to our clients to help them navigate volatile market conditions
- Utilise our expertise to deliver innovative and bespoke solutions that will generate future opportunities for both our clients and the business to evolve
- Further expand geographic footprint in the Americas and presence in sectors of expertise particularly across our Commodities and Financial Markets businesses

Responding to long-term trends towards decarbonisation

- Continue to leverage opportunities presented by the Energy Transition and support clients with their decarbonisation pathways
- Respond to the Energy Transition by evolving with our clients and the markets we operate in
- Focus on launching new Energy Transition businesses across the Commodities platform including Clean Fuels, Critical Minerals and Circular Economies

Continuing to explore and invest in emerging opportunities

- Explore potential areas of growth that are adjacent to where we are already operating, have expertise and market relationships
- Continue our digitalisation journey by exploring and investing in technology and data to seize opportunities to innovate and drive commercial outcomes
Glossary
### Glossary

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$A / AUD</td>
<td>Australian Dollar</td>
</tr>
<tr>
<td>$US / USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>£ / GBP</td>
<td>Pound Sterling</td>
</tr>
<tr>
<td>1H23</td>
<td>Half Year ended 30 September 2022</td>
</tr>
<tr>
<td>3Q23</td>
<td>Three months ended 31 December 2022</td>
</tr>
<tr>
<td>ADI</td>
<td>Authorised Deposit-Taking Institution</td>
</tr>
<tr>
<td>ANZ</td>
<td>Australia and New Zealand</td>
</tr>
<tr>
<td>APAC</td>
<td>Asia-Pacific</td>
</tr>
<tr>
<td>APRA</td>
<td>Australian Prudential Regulation Authority</td>
</tr>
<tr>
<td>AUM</td>
<td>Assets under Management</td>
</tr>
<tr>
<td>B2B</td>
<td>Business to Business</td>
</tr>
<tr>
<td>BCBS</td>
<td>Basel Committee on Banking Supervision</td>
</tr>
<tr>
<td>bcf</td>
<td>Billion cubic feet</td>
</tr>
<tr>
<td>BFS</td>
<td>Banking and Financial Services</td>
</tr>
<tr>
<td>BPAT</td>
<td>Bonneville Power Administration Transmission</td>
</tr>
<tr>
<td>CCB</td>
<td>Capital Conservation Buffer</td>
</tr>
<tr>
<td>CET1</td>
<td>Common Equity Tier 1</td>
</tr>
<tr>
<td>CGM</td>
<td>Commodities and Global Markets</td>
</tr>
<tr>
<td>CHIPS</td>
<td>The Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act of 2022</td>
</tr>
<tr>
<td>CIO</td>
<td>Chief Investment Officer</td>
</tr>
<tr>
<td>CISO</td>
<td>California Independent System Operator</td>
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<tr>
<td>CLF</td>
<td>Committed Liquidity Facility</td>
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<tr>
<td>CMA</td>
<td>Cash Management Account</td>
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<tr>
<td>$CO2</td>
<td>Carbon Dioxide</td>
</tr>
<tr>
<td>CY</td>
<td>Calendar Year</td>
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<tr>
<td>DCM</td>
<td>Debt Capital Markets</td>
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<td>DPS</td>
<td>Dividends Per Share</td>
</tr>
<tr>
<td>DRP</td>
<td>Dividend Reinvestment Plan</td>
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<td>DUK</td>
<td>Duke</td>
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<tr>
<td>EaaS</td>
<td>Energy as a Service</td>
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<tr>
<td>EBITDA</td>
<td>Earnings Before Interest, Taxes, Depreciation and Amortisation</td>
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<tr>
<td>ECM</td>
<td>Equity Capital Markets</td>
</tr>
<tr>
<td>EMEA</td>
<td>Europe, the Middle East and Africa</td>
</tr>
<tr>
<td>EPS</td>
<td>Earnings Per Share</td>
</tr>
<tr>
<td>ERCO</td>
<td>Electric Reliability Council of Texas</td>
</tr>
<tr>
<td>ESG</td>
<td>Environmental, Social and Governance</td>
</tr>
<tr>
<td>ETF</td>
<td>Exchange Traded Fund</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>EUM</td>
<td>Equity Under Management</td>
</tr>
<tr>
<td>EV</td>
<td>Electric Vehicle</td>
</tr>
<tr>
<td>FCCTR</td>
<td>Foreign currency translation reserve and net investment hedge reserve</td>
</tr>
<tr>
<td>FIC</td>
<td>Fixed Income and Currencies</td>
</tr>
<tr>
<td>FIG</td>
<td>Financial Institutions Group</td>
</tr>
<tr>
<td>FPL</td>
<td>Florida Power &amp; Light</td>
</tr>
<tr>
<td>FX</td>
<td>Foreign Exchange</td>
</tr>
<tr>
<td>FY</td>
<td>Full Year ended 31 March</td>
</tr>
<tr>
<td>FY23YTD</td>
<td>Nine months ended 31 December 2022</td>
</tr>
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</table>
## Glossary

<table>
<thead>
<tr>
<th>Abbr.</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>G10</td>
<td>Group of Ten</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GFC</td>
<td>Global Financial Crisis</td>
</tr>
<tr>
<td>GIG</td>
<td>Green Investment Group</td>
</tr>
<tr>
<td>GW</td>
<td>Gigawatt</td>
</tr>
<tr>
<td>GWHDDs</td>
<td>Gas Weighted Heating Degree Days</td>
</tr>
<tr>
<td>ha</td>
<td>Hectres</td>
</tr>
<tr>
<td>HNW</td>
<td>High Net Worth</td>
</tr>
<tr>
<td>HVDC</td>
<td>High-voltage direct current</td>
</tr>
<tr>
<td>IRA</td>
<td>Inflation Reduction Act of 2022</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>LAC</td>
<td>Loss-Absorbing Capacity</td>
</tr>
<tr>
<td>LatAm</td>
<td>Latin America</td>
</tr>
<tr>
<td>LCR</td>
<td>Liquidity Coverage Ratio</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>Mergers and Acquisitions</td>
</tr>
<tr>
<td>MacCap</td>
<td>Macquarie Capital</td>
</tr>
<tr>
<td>MAM</td>
<td>Macquarie Asset Management</td>
</tr>
<tr>
<td>MBL</td>
<td>Macquarie Bank Limited</td>
</tr>
<tr>
<td>MERS</td>
<td>Macquarie Energy, Renewables and Sustainability</td>
</tr>
<tr>
<td>MGL / MQG</td>
<td>Macquarie Group Limited</td>
</tr>
<tr>
<td>MISO</td>
<td>Midcontinent Independent System Operator</td>
</tr>
<tr>
<td>Mtpa</td>
<td>Million Tonnes Per Annum</td>
</tr>
<tr>
<td>MW</td>
<td>Megawatt</td>
</tr>
<tr>
<td>MWh</td>
<td>Megawatt Hour</td>
</tr>
<tr>
<td>NOI</td>
<td>Net operating income</td>
</tr>
<tr>
<td>NPAT</td>
<td>Net Profit After Tax</td>
</tr>
<tr>
<td>NPC</td>
<td>Net Profit Contribution</td>
</tr>
<tr>
<td>NSFR</td>
<td>Net Stable Funding Ratio</td>
</tr>
<tr>
<td>NYIS</td>
<td>New York Independent System Operator</td>
</tr>
<tr>
<td>NZE</td>
<td>Net Zero Emissions</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<tr>
<td>P&amp;L</td>
<td>Profit and Loss</td>
</tr>
<tr>
<td>PJM</td>
<td>PJM</td>
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<tr>
<td>PPE</td>
<td>Property, Plant and Equipment</td>
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<tr>
<td>RBA</td>
<td>Reserve Bank of Australia</td>
</tr>
<tr>
<td>ROE</td>
<td>Return on Equity</td>
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<tr>
<td>RWA</td>
<td>Risk Weighted Assets</td>
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<tr>
<td>SaaS</td>
<td>Software as a Service</td>
</tr>
<tr>
<td>SA-CCR</td>
<td>Standardised Approach (Counterparty Credit Risk)</td>
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<tr>
<td>SNE</td>
<td>New England Independent System Operator</td>
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<tr>
<td>SOCO</td>
<td>Southern Company</td>
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<td>SWPP</td>
<td>Southwest Power Pool</td>
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<tr>
<td>TFF</td>
<td>Term Funding Facility</td>
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<tr>
<td>TMT</td>
<td>Technology, Media and Telecoms</td>
</tr>
<tr>
<td>TVA</td>
<td>Tennessee Valley Authority</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>US</td>
<td>United States</td>
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<tr>
<td>YTD</td>
<td>Year to date</td>
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</tbody>
</table>
Macquarie Group Limited, Americas Investor Tour

Day 3, Houston

9 March 2023